



BOARD OF ETHICS
CITY OF CHICAGO

FAQs: THE NEW NON-PROFIT LOBBYING LAW

Q: How would this proposal affect non-profits? Specifically, delegate agencies? Special Service Area (SSA) providers?

A: As a general matter, remember that, under this new law, persons who are unpaid and who engage in any of the above activities on behalf of non-profits would not be required to register as lobbyists (unless they are engaging in this activity as a matter of professional engagement on a *pro bono* basis – in order for the Board to determine whether that’s the case, we’ll look to see whether there is an engagement or retention agreement).

As to representatives of delegate agencies -- organizations that receive grants from the City, perhaps from the Department of Public Health or Family and Support Services – will they be considered lobbyists? Individuals (whether paid or volunteers) acting on behalf of delegate agencies in seeking City-funded or -administered grants are not lobbying by seeking such grants if: (i) their actions are within the grant-making process itself; and (ii) that process involves a Request for Proposals (“RFP”) or Request for Qualifications (“RFQ”) procedure. It is our understanding that many federally-funded grants, including Community Development Block Grants (CDBG) involve an RFP or RFQ process. However, this exemption is limited to seeking grant contracts – other activities in which paid staffers engage that involves contact with City employees or officials may well constitute lobbying. It depends on the facts.

As to representatives of SSA Service providers, such as local Chambers of Commerce, their paid staffers will need to register as lobbyists, as is the case under current law, when they seek contracts with the Department of Planning & Development to become SSA service providers. This is because: (i) under current law, Chambers of Commerce are “2-tier non-profits” (they have for-profit members); and (ii) our understanding is that the contracting process for SSA service providers does not involve an RFP or RFQ process. The City otherwise regulates procurement lobbying, and requires individuals who contact the City to start an RFP process, for example, to register as lobbyists.

Q: What about staffers or directors of delegate agencies or SSA service providers who discuss their agency’s performance under a grant or contract with City employees or officials, or who discuss the interpretation of an existing contract (e.g., an SSA service provider’s or delegate agency’s Executive Director asks an alderman or employee from DFSS “our contract provides that the City is responsible for paying for fencing around vacant lots owned by the City; do you agree”??)

A: Having discussions with City employees or officials about interpreting or performing an existing grant or contract is *not* lobbying under either current law or this proposal. However, negotiating amendments or extensions to a grant may be considered lobbying. Those seeking such actions on behalf of non-profits will likely be required to register if it is part of their paid job with the non-profit.

Q: How would a current or potential delegate agency know what kind of grant-making procedure is being used and whether their paid staff or representatives must register as lobbyists?

A: It is always a good idea to call the Board of Ethics. The Board can contact the grant-making department and ascertain whether the potential lobbying actions are taking place within an RFP/RFQ process.



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Q: Are small business owners who, for example, meet with their aldermen to discuss receiving their alderman's support for a new signage or street café permit required to register as lobbyists?

A: Generally not, if the alderman's support is part of a larger process by which the signage or café permit will be issued.

QUESTIONS?

The Board of Ethics is always available to advise persons on whether they must register as lobbyists. All requests for advice or guidance are confidential by law. No question is too small or too big. Remember to contact the Board before taking action.

**Board of
Ethics**



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